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PROPOSAL TO RELOCATE THE HEADQUARTERS OF THE UNITED NATIONS VOLUNTEERS PROGRAMME FROM GENEVA TO BONN

Proposal of the Secretary-General to relocate the headquarters of the United Nations Volunteers programme from Geneva to Bonn

Report of the Administrator

I. INTRODUCTION

1. The present report is submitted to the Executive Board pursuant to the Board's agreement to consider, at its first regular session 1995, the proposal of the Secretary-General to relocate the headquarters of the United Nations Volunteers (UNV) programme from Geneva to Bonn. In response to the Secretary-General's proposal, the Government of Germany made an offer for the relocation of the UNV to Bonn from 1996 onwards. The present report is intended to seek endorsement by the Executive Board of the acceptance, in principle, by the Secretary-General of this offer.

II. PROPOSAL OF THE SECRETARY-GENERAL

2. Following a meeting held on 29 September 1993 between the Secretary-General and the Minister of Foreign Affairs of Germany, the Secretary-General, in his letter of 8 October 1993, addressed to the Minister, confirmed his proposal to relocate UNV headquarters to Bonn. The Secretary-General also confirmed that the Administrator would review, in consultations with the Government of Germany, the necessary technical, financial and legal issues that would permit the transfer of UNV headquarters to take place as soon as possible under mutually satisfactory arrangements.

3. In response to the Secretary-General's letter, a United Nations/UNDP working group, including representatives of UNV, was established in November 1993 to undertake a study of the above issues.

III. PREPARATION OF THE REPORT

4. In November 1993, the Administrator requested the opinion of the Legal Counsel of the United Nations on whether the proposed relocation of UNV to Bonn would require the General Assembly to make a decision to that extent. In his response dated 20 November 1993, the Legal Counsel recalled that General Assembly resolution 2659 (XXV) of 7 December 1970 establishing UNV did not indicate any location for UNV headquarters, and that the present location of UNV in Geneva, as well as the initial location in New York, had been decided upon by the UNDP Governing Council. The Economic and Social Council and subsequently the General Assembly had been informed of this decision through a report of the Secretary-General. It was therefore the opinion of the Legal Counsel that the proposed relocation of UNV headquarters to Bonn would not necessitate, from a legal point of view, the approval or a special decision of the General Assembly. However, the Legal Counsel added that, should this relocation involve any programme budget implications for the United Nations, the approval of the General Assembly, through the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Fifth Committee, would be necessary.

5. A UNDP mission to UNV Geneva and to Bonn was undertaken in early December 1993 in order to confirm data collected, identify additional cost elements and further elaborate on issues, such as the building complex. During the mission, informal consultations were held with representatives of Germany and of Switzerland. In January 1994, a UNV mission to Bonn took place to review programme implications of the proposed relocation.

6. Consultations or briefing sessions were held with representatives of Germany and of Switzerland, who were kept informed of progress made.

IV. THE REPORT OF THE WORKING GROUP

7. The report of the working group, which was completed in April 1994, is contained in annex I to the present report. It identifies the human resource, administrative, legal, and financial implications that would result from the relocation of UNV to Bonn.

8. In addition, the working group identified programme implications following the UNV mission referred to in paragraph 5 above. These implications are contained in paragraph 17 of the report; they are reproduced below in view of their significance to the future operations of UNV:

> "There are a variety of implications to the UNV programme that could arise from a move to Bonn. These implications are largely non-quantifiable and, in many respects, dynamic, as UNV business needs continue to evolve. A full analysis of these implications has not been attempted in the present

study. However, the working group has identified issues that would require careful attention. They are as follows:

(a) UNV would benefit from the lower costs of conducting business in Bonn as compared to Geneva;

(b) The growing coalescence of interests and priorities of the Government of Germany and UNV on the development and humanitarian fronts will result in synergy that will be of considerable benefit to recipient developing countries;

(c) There will be advantages to the international community as a whole, through the start-up in Germany of international development activities;

(d) The geographic location in the Rhineland could provide the following benefits:

(i) Access to untapped non-governmental (NGO) and private sector support in Germany;

(ii) Proximity to the European Union in Brussels could provide greater access to substantial European support;

(e) UNV anticipates that possibly two thirds of General Service staff could choose not to relocate to Bonn. Consequently, there will be a loss of institutional memory as a result of the separation of these para-professional staff. This would affect programme management, monitoring, administration, finance and crisis control (including security measures for the field);

(f) The direct contact with such United Nations specialized agencies in Geneva as the International Labour Organization (ILO), the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Health Organization (WHO), which has proved effective in resolving UNV recruiting issues and pre-empting problems;

(g) UNV, in cooperation with the specialized agencies, mobilizes resources, in particular in the area of appeals for humanitarian and peace-related operations, through direct contact with the donor missions in Geneva;

(h) The development of UNV programme initiatives has benefited from the network of specialized agencies in Geneva. This relationship has enabled UNV to develop programme framework proposals on a thematic basis without having a technical cadre of its own;

(i) Initial discussions with the Government of Germany indicated that there will be a need for a transitional subsidy, which would cover the losses referred to in the above paragraphs. The characteristics and amount of the subsidy would be discussed during the preparation process for the move to Bonn."

9. The summary and conclusions of the working group, which are contained in paragraph 63 of the report, are listed below. They will need to be addressed in order to implement the proposal of the Secretary-General:

"(a) There would be human resource implications resulting from a move of UNV to Bonn, in particular for General Service staff, which could result in a reduced programme and organizational capacity during the transition years;

(b) The separation of the UNV from the organizations of the United Nations system and permanent missions to the United Nations at Geneva will have implications for UNV, particularly in the area of personnel and the continuity of operations. A liaison capacity will have to be established in Geneva to fill this gap. However, there are a variety of implications in moving UNV headquarters to Bonn; these include the proximity to the headquarters of the European Union in Brussels, and UNV access to an active community in the Rhineland interested in multilateral cooperation. The economic significance to UNV of location within the Frankfurt-Dusseldorf corridor would present an opportunity to draw upon resources from the NGO community and the private sector, which remain as yet untapped;

(c) There are some other implications, related to continuity of normal operations during the transition period that have not been fully identified;

(d) UNDP expects the Host Country Agreement to be entered into between the United Nations and the Government of Germany to reflect arrangements not less favourable than those obtained in the agreements with Switzerland and Austria governing the legal status of the United Nations Office at Geneva and the United Nations Office at Vienna;

(e) There is a need for consideration by the Government of Germany of a specific programme grant that would ensure an efficient and effective programme future for UNV after the move to Bonn. This would take into account the programme implications referred to in paragraph [8] above;

(f) For the successful implementation of the Secretary-General's proposal to move UNV headquarters to Bonn, it will be important to plan well ahead;

(g) The offer from the Government of Germany will require further elaboration and confirmation, regarding, inter alia, the specific building complex for UNV;

(h) The transition costs, in 1993 prices and at December 1993 exchange rates, and with the limitations mentioned [in the report of the working group], would range from $5.18 million to $7.45 million, depending on the scenario and assumptions used. In addition, the 'transition subsidy' referred to in paragraph 17 (i) [of the report of the working group] should be taken into account;

(i) A move to Bonn could result in savings in recurrent expenditure. Initial calculations, at 1993 prices and exchange rates, indicates that these would be in the order of $1.77 million per annum;

(j) The presence of UNV in Bonn will enable UNDP, and UNV in particular, to draw further upon important contributions of a substantive and financial nature, from both public and private sources;

(k) The presence in Germany of UNV, which UNDP administers, will further enhance the effectiveness of the central role of UNDP in servicing overall operational activities for development."

V. THE OFFER FROM THE FEDERAL REPUBLIC OF GERMANY

10. The Permanent Representative of Germany, in his letter of 23 September 1994, informed the Secretary-General of the decision of the Government of Germany to accept his proposal of 8 October 1993, referred to in paragraph 2 above, and to offer to the United Nations Volunteers relocation to Bonn from 1996 onwards. The offer, which is contained in annex II to the present document, takes into account the main conclusions of the working group referred to in paragraph 7 above. In the offer, the Government of Germany declared its readiness to provide substantial support for the establishment of UNV in Bonn; furthermore, the Government of Germany is willing to:

(a) Offer suitable rent-free premises to UNV in Bonn;

(b) Assume the costs arising from the relocation and installation of UNV, its employees willing to move and their families, and for language training;

(c) Bear special transition costs of up to $4 million;

(d) Double its voluntary contributions to UNV;

(e) Seek a Headquarters Agreement with the United Nations along the lines of those other United Nations locations in Europe. Provide access to dependants of UNV employees to the German labour market.

In his letter, the Permanent Representative of Germany indicated that his Government would be pleased to discuss any aspects of the offer in more detail after having received a positive response.

VI. THE PRESENT SITUATION OF THE UNV PROGRAMME IN GENEVA

11. It should be recalled that the decision in 1972 by the Governing Council to locate the UNV programme in Geneva was based on the host country agreement, which was approved by the General Assembly in 1946.

12. Discussions were held in the course of 1994 between UNV and the Swiss authorities in Geneva, and between UNDP and the Permanent Observer Mission of Switzerland to the United Nations in New York, to assess the situation of the

UNV programme in Geneva. The letter from the Permanent Observer of Switzerland in New York, addressed to the Administrator, dated 29 November 1994 (annex III), describes the situation against the background of Geneva as an international centre and as one of the locations of the United Nations Offices in Europe.

VII. FURTHER ACTION

13. In a letter dated 11 October 1994, addressed to the Permanent Representative of Germany, the Secretary-General advised him of his readiness, in principle, to accept the offer of the Government of Germany, subject to the endorsement by the Executive Board. Furthermore, the Secretary-General requested the Administrator to discuss the terms and provisions of the offer with the Permanent Representative in order to finalize the arrangements that would enable the transfer of UNV to take place in 1996.

14. The Administrator has initiated a dialogue with the representatives of the Government of Germany to discuss the outstanding issues referred to in paragraph 7 above, as well as to finalize the measures required to ensure an efficient and effective programme future for UNV.

VIII. EXECUTIVE BOARD ACTION

15. The Executive Board may wish to:

(a) Endorse the proposal of the Secretary-General to accept the offer of the Government of Germany to relocate the headquarters of the United Nations Volunteers to Bonn from mid-1996 onwards;

(b) Authorize the Administrator, following the acceptance in principle by the Secretary-General, to continue discussions on the terms and provisions of the offer in order to resolve the outstanding issues and finalize the arrangements that would enable the transfer of the headquarters of the United Nations Volunteers to Bonn in July 1996.

Annex I

REPORT OF THE JOINT UNITED NATIONS/UNDP/UNV WORKING GROUP ON THE PROPOSED RELOCATION OF UNV TO BONN

I. BACKGROUND AND INTRODUCTION

1. At the thirty-ninth session of the Governing Council, the Government of Germany submitted a proposal to host the headquarters of the United Nations Development Programme (UNDP), its affiliated funds, and the United Nations Population Fund (UNFPA) in Bonn from 1996 onwards.

2. The Governing Council, on 26 May 1992, requested the Administrator to examine, in consultation with the relevant departments of the United Nations Secretariat, all programme-related, budgetary, legal and administrative implications of the offer.

3. In September 1992, a working group of representatives from the United Nations Secretariat, UNFPA and UNDP, chaired by the Assistant Administrator and Director of the Bureau for Finance and Administration (BFA), UNDP, and reporting to the Associate Administrator of UNDP, was established to undertake a study related to the proposed move of UNDP and UNFPA to Bonn. In June 1993, the Administrator of UNDP reported the findings of the working group to the Governing Council at its fortieth session (DP/1993/55/Add.3).

4. In paragraph 5 of its decision 93/41 of 18 June 1993, the Governing Council decided to consult further on this matter at its forty-first session.

5. The Secretary-General, in his letter of 8 October 1993 to the Minister of Foreign Affairs of the Federal Republic of Germany, confirmed his proposal to relocate the headquarters of the United Nations Volunteers (UNV) to Bonn. The Secretary-General requested the Administrator, in consultations with the Government of Germany, to consider the necessary technical, financial and legal issues which would permit the transfer of UNV to take place as soon as possible under mutually satisfactory arrangements.

6. In the latter part of 1993, the working group referred to in paragraph 3 was re-established, including representatives of UNV, to undertake a study of the technical, financial and legal issues that would need to be addressed regarding a move of UNV to Bonn.

7. The working group considered that the report submitted to the Governing Council at its fortieth session (1993) (DP/1993/55/Add.3) on the proposed move of UNDP and UNFPA to Bonn, would be the most appropriate framework for preparing the report to be submitted to the UNDP/UNFPA Executive Board at its annual session (1994) on the implications of a move of UNV to Bonn. In addition, the working group recommended that the data collected, issues identified, methodology used, and assumptions made in the previous study would, where applicable and with the necessary updating of costs, be used as the basis to assess the technical, financial and legal issues associated with a move of UNV to Bonn.

8. Consultations or briefing sessions were held, as required, with representatives of Germany and of Switzerland, who were kept informed of progress made.

9. A UNDP mission to UNV headquarters at Geneva and to Bonn was fielded in early December 1993 in order to address issues, relevant to UNV, which were not fully covered in the previous study, such as common services, and to collect information on the following:

(a) The appropriate date for the relocation, taking account of the needs of the UNV programme and the availability of suitable office accommodation in Bonn;

(b) The proposed building complexes for UNV;

(c) Discussions on the methodology for preparation of a United Nations Host Country Agreement with the Government of Germany and on a supplementary agreement to cover specific issues relevant to UNV;

(d) Clarification of certain visa issues relating to UNV staff who would not be holding a laissez-passez;

(e) The total number of UNV staff who would relocate to Bonn and the number of UNV staff, if any, who may be required to remain in Geneva;

(f) Clarification that the offer from the Government of Germany to host UNV would be on the same basis as the offer made to UNDP and UNFPA in May 1992.

10. For the purpose of the present study, the working group has assumed that the effective date of the move would be July 1996, and further, that the move could be effected within a three-month period.

11. Discussions with UNV staff have indicated that the UNV Humanitarian Relief Unit needs to maintain a close working relationship with the Department of Humanitarian Affairs in the United Nations Office in Geneva. Consequently, the working group has assumed that the Humanitarian Relief Unit would remain in Geneva. It should be noted however, that the working group has assumed that the Humanitarian Relief Unit would become part of the UNV liaison office in Geneva (see para. 61 below).

12. General Service staff members are recruited locally for the particular duty station; in the present case, Geneva. In all likelihood, a number of General Service staff members would choose not to relocate. Accordingly, three scenarios were prepared for working purposes, as follows: (a) 30 per cent, (b) 50 per cent and (c) 80 per cent of the General Service staff relocating. It should, however, be stressed that the assumptions on the proportion of General Service staff members relocating were not based on any survey and are, therefore used for indicative purposes only.

13. The German authorities identified buildings as representative of the size and type of building that would be made available to UNV. The mission fielded to Bonn reviewed the initial options and found them to be entirely suitable both

in terms of size and location. It should, however, be noted that, since the precise location has not been finalized, a number of related operational requirements, such as those for utilities, initial required infrastructure, repair, maintenance costs, and security, will have a further impact on the cost estimates. The working group concluded that the precise building to be occupied by UNV was crucial to determining these costs.

14. The Executive Board should note that the cost estimates and comparisons have been based on prices and exchange rates effective as of December 1993, with no inflation factor included. The exchange rate used was deutsche marks 1.71 to the United States dollar. Consequently, all costs would need to be adjusted to prices and exchange rates prevailing in June 1996.

15. The results of the working group's review indicate that total transition costs would vary from $5.18 million to $7.45 million. These comprise (a) personnel costs, calculated on the basis of existing Staff Regulations and Rules, and include a possible additional ex-gratia payment, outside the Staff Regulations and Rules, for General Service staff members not relocating to Bonn and (b) non-staff costs, consisting of the net replacement cost of furniture, equipment and computer hardware, the cost of establishing a provisional office in Bonn, and the transfer of office records; and (c) an amount for contingency costs (10 per cent of the total).

16. As regards recurrent expenditure, based on the assumption that the real cost differential between Geneva and Bonn does not significantly change (in line with para. 14 above), indications are that there could be an annual net savings of approximately $1.77 million.

II. PROGRAMME IMPLICATIONS

17. There are a variety of implications to the UNV programme that could arise from a move to Bonn. These implications are largely non-quantifiable and, in many respects, dynamic, as UNV business needs continue to evolve. A full analysis of these implications has not been attempted in the present study. However, the working group has identified issues that would require careful attention. They are as follows:

(a) UNV would benefit from the lower cost of conducting business in Bonn as compared to Geneva;

(b) The growing coalescence of interests and priorities of the German Government and UNV on the development and humanitarian fronts will result in synergy that will be of considerable benefit to programme countries;

(c) There will be advantages to the international community as a whole through the start-up in Germany of international development activities;

(d) The geographic location in the Rhineland could provide the following benefits:

(i) Access to untapped non-governmental organization (NGO) and private sector support in Germany;

(ii) Proximity to the European Union in Brussels could provide greater access to substantial European support;

(e) UNV anticipates that possibly two thirds of General Service staff could choose not to relocate to Bonn. Consequently, there will be a loss of institutional memory as a result of the separation of these para-professional staff. This would affect programme management, monitoring, administration, finance and crisis control (including security measures for the field);

(f) The direct contact with such United Nations specialized agencies in Geneva as the International Labour Organization (ILO), the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Health Organization (WHO), which has proved effective in resolving UNV recruiting issues and pre-empting problems;

(g) UNV, in cooperation with the specialized agencies, mobilizes resources, in particular in the area of appeals for humanitarian and peace-related operations, through direct contact with the donor missions in Geneva;

(h) The development of UNV programme initiatives has benefited from the network of specialized agencies in Geneva. This relationship has enabled UNV to develop programme framework proposals on a thematic basis without having a technical cadre of its own;

(i) Initial discussions with the Government of Germany indicated that there will be a need for a transitional subsidy, which would cover the losses referred to in the above paragraphs. The characteristics and amount of the subsidy would be discussed during the preparation process for the move to Bonn.

III. ASSUMPTIONS

18. Summarized below are the major assumptions made relating to transition costs and recurrent expenditure.

A. Assumptions pertaining to transition costs

19. After consultations with UNV concerning the needs of the UNV programme, and in consultation with the Government of Germany regarding the availability of permanent office accommodation for UNV, the working group has assumed that the most appropriate, and mutually acceptable, date for the move of UNV to Bonn would be July 1996.

20. Personnel costs for the transition phase have been calculated on the basis of rates and allowances in effect in December 1993.

21. General Service staff members would be provided with the relevant transfer and settling-in allowances related to reassignment in order to facilitate their

relocation; however, they would not be eligible for status as internationally recruited staff. Discussions held with local and federal authorities indicated that there would be no legal impediment for all staff who would so choose to relocate to Germany.

22. UNV would have to establish a provisional office in Bonn four months before the proposed move there in July 1996. The main responsibilities of such an office would include space planning, allocation and occupancy; the coordination of office furniture and equipment; the establishment of administrative services and facilities to support UNV; and the recruitment and training, as required, of General Service staff.

23. The working group identified the need for minimal additional temporary assistance in Geneva during the transition period to replace UNV staff members assigned to the UNV Bonn office in advance of the transition date.

24. The current lease of the UNV building in Geneva expires in 1995. Assuming that the lease agreement can be renewed for the period up to the transition date, there would be no lease buy-out costs resulting from the relocation of UNV to Bonn.

25. Some UNV staff not moving to Bonn would be eligible, under the Staff Regulations and Rules for a termination indemnity. The termination indemnity included in the cost estimates is based on entitlements defined in accordance with the Staff Regulations and Rules.

26. As further elaborated on in paragraph 54 below, UNV would need to replace the existing office furniture, equipment and computer hardware, including computer configurations.

27. Finally, it should be noted that, for contingency purposes, an amount equivalent to 10 per cent of the estimated transition costs is included.

B. Assumptions pertaining to recurrent expenditures

28. In view of the difficulty of forecasting the exact numbers of staff as of 1 January 1996, the numbers of staff used, as a basis for preparing the cost estimates, was the approved staffing for 1993, namely:

	Professional	General Service	Total
UNV	33	70	103

29. The offer of the Government of Germany to UNDP and UNFPA, as announced at the thirty-ninth session of the Governing Council, was for rent-free accommodation in Bonn. German Government officials have confirmed that the terms of this offer would apply, mutatis mutandis, to UNV office accommodation. Subsequent discussions with German officials indicated that the offer would also include the maintenance of the buildings, i.e., major repairs, renovations, or

adjustments to the building premises and related fixtures, such a elevators, heating systems and windows. Since UNV would still have to continue with other elements of maintenance such as, cleaning, carpeting repairs, and changes to internal fixtures as required, it was assumed that there would be no significant change to the costs currently being incurred in Geneva for such purposes.

30. While examining Bonn housing costs, the working group assessed the possibility of determining the housing rental subsidy to staff members that UNV would incur. Since rental subsidy entitlements are based on the accommodation actually occupied by staff members, it was not possible to estimate them accurately without undertaking a detailed survey of staff requirements for housing in Bonn. However, for indicative purposes only, a general estimate, based on rates calculated by the International Civil Service Commission (ICSC) for Bonn, was made on the assumption that all Professional staff would be entitled to receive a rental subsidy after a move to Bonn.

31. Since it is likely that some common services will continue to be provided by the United Nations Secretariat to UNDP/UNV, such as those of the Board of Auditors, the Joint Staff Pension Fund, the Joint Appeals Board, and Payroll, it was assumed that a proposed move of UNV to Bonn would not result in any additional reimbursement to the United Nations Secretariat for these services.

32. There are, however, services currently provided to UNV by the United Nations Office at Geneva that in all probability may no longer be continued or at least not continued in their current form if UNV were to relocate to Bonn. Notwithstanding that a more precise determination of security service requirements will be needed in line with paragraph 13 above, the working group identified and included some initial estimated additional costs, based on a preliminary review of a possible building complex and their configurations. For other services, such as conference, translation and interpretation, legal, pouch, language training, shipping, medical and computer services, a determination would still need to be made of the requirements if the services currently provided by the United Nations Office at Geneva were to be provided by UNV in Bonn. For the time being, therefore, it is assumed that the costs for such services would not differ significantly from the amount reimbursed to the United Nations Secretariat in 1993.

33. There are services which UNV currently provides to the UNDP European Office and affiliated funds in Geneva. These services include personnel and travel administration, procurement for stationery, financial services and support for the Executive Board meetings in Geneva. UNV has three General Service posts to provide these services. The move of UNV to Bonn could mean that UNDP would require additional staff to ensure that the services, currently provided by UNV, can be provided by UNDP. The estimated cost of these services is $300,000 per annum.

IV. Budgetary, human resource, administrative and legal implications

A. Overall budgetary implications

34. In summary, the budgetary implications of the proposed relocation of UNV to Bonn, broken down by different groupings for each scenario, are as follows:

TRANSITION COSTS
(Millions of dollars)

Percentage of General Service staff relocating	Transition costs
30	7.45
50	6.52
80	5.18

SAVINGS IN NET RECURRENT COSTS
(Millions of dollars)

Percentage of General Service staff relocating	Savings in recurrent expenditure
30 or 50 or 80	1.775

35. It should be noted that part of UNV expenditure incurred against the administrative budgets is incurred in Swiss francs. Relocation to Bonn would result in this part of the administrative expenditure being incurred in deutsche marks. The working group did not anticipate that this change would have a significant impact on the UNV administrative budget.

B. Human resource and related budgetary implications

36. UNV staff who relocate to Bonn would be eligible to receive the allowances for reassignment, as defined in the Staff Regulations and Rules. The estimated cost of these allowances are included in the transition-cost estimates; they range from $50,000 to $83,000 for travel, $346,000 to $577,000 for the shipment of personal effects, and from $754,000 to $1,180,000 for assignment allowance and installation grants.

37. As outlined in paragraph 25 above, some UNV staff not relocating to Bonn would be eligible for a termination indemnity. The estimated costs are included in the transition cost estimates; they range from $530,000 to $1,800,000 for the

standard indemnity for General Service staff, from $530,000 to $1,800,000 for the possible additional ex-gratia payment for General Service staff.

38. Notwithstanding paragraph 37, UNV will clearly need to rely on UNDP and on the remainder of the United Nations system in Geneva to place as many as possible of those staff members not relocating. To the extent that staff not relocating are absorbed by the United Nations system, termination costs and ex-gratia payments will be reduced.

39. In line with paragraph 12 above, UNV may need to recruit and train a number of new General Service staff in Bonn. Depending on the number of staff to be recruited and trained, tentative estimated costs for this purpose, included in the transition costs, would range from $80,000 to $280,000.

40. An assessment of General Service salary costs for Bonn was carried out through a preliminary multisector survey in 1992. In this survey, salary and benefit data were collected from five employers in the Bonn/Cologne area. Job comparisons were made using standard UNDP headquarters benchmarks. Net salaries have been updated from the 1992 survey to December 1993 through application of the Bonn consumer price index (CPI) movement for 1993 of 3.3 per cent taking account of price changes since 1992. Comparison of the updated salary scale for Bonn with current United Nations salaries in Geneva indicated a weighted average difference of 40 per cent for salaries in Bonn. On this basis, the cost of General Service staff salaries in Bonn would be less than in Geneva by an amount of $1,770,000 per annum. This amount is, therefore, included in the recurrent expenditure estimates.

41. In addition to analysing comparable salary levels for Bonn, the mission also assessed the availability of General Service staff with language (English or French) and technical skills. In both cases, local employers indicated little or no difficulty in finding such personnel. With respect to occupational skills the full array of technical expertise expected for incumbents of UNV General Service posts is also found at comparable levels in employees in Bonn and the surrounding area.

42. The results of the limited survey conducted, therefore, indicate that the available pool of candidates in the Bonn/Cologne labour market will meet UNV demand.

43. A comparison of Professional staff salaries was carried out, using the post adjustment multipliers for Geneva (72.4) and Bonn (47.4) as at December 1993. The post adjustment multiplier is based on the standard methodology used to calculate the post adjustment for all duty stations in the United Nations system. The result of the comparison indicates that post adjustment expenditure in Bonn would be less than in Geneva by an amount of $414,000 per annum. This amount is, therefore, included in the recurrent expenditure estimates.

44. Private international schools in Bonn providing instruction in English and French were visited by the mission. The survey indicated that the existing capacity of these schools would be adequate to meet the additional demand resulting from the relocation of UNV to Bonn. In addition, another related issue that was not explored but which would require further identification and

elaboration is the availability and cost of day-care facilities. Finally, the Executive Board should be aware that in the case of General Service staff members who may consider moving to Bonn with their children, the working group has confirmed that even though these children could attend the public school system in Germany as they do in Switzerland, no public education in French or English is available in Bonn. The total number of dependent children of current General Service staff is presently 69.

45. It was assumed that a significant proportion of Professional staff members with children would want to have their children educated in English or French. This would result in an increase in the number of staff members eligible to receive an education grant. It has been estimated that the education grant costs in Bonn would be $51,000 higher than in Geneva. This amount is included in the recurrent expenditure estimates.

46. The working group was unable to make a precise determination of the medical and dental insurance costs and subsidy rates applicable in Bonn. Based on a preliminary analysis of the likely costs in Bonn, it has been assumed that there would be little change in insurance subsidy incurred by UNV in Bonn as compared to Geneva. Consequently, no provision has been made for this item in the recurrent expenditure estimates.

47. Since the German Government health and social security scheme is statutory, UNV will be required to obtain an exemption from the obligation to participate in it. However, to the extent that this would be provided or chosen as one option, the possibility of a waiver of the employer's contribution would also need to be explored. It should be noted that this would be the subject of further discussion and incorporation into the Host Country Agreement that would be entered into with the Government of Germany.

48. In line with paragraph 30 above, the rental subsidy calculations indicate that the subsidy payable to Professional staff during the first year in Bonn would be greater than that currently paid in Geneva by an amount of $130,000. In line with the rental subsidy scheme and as staff decide to purchase rather than rent accommodation, it is likely that this recurrent cost will decrease over time; however, for the purposes of the present study, the cost increase for the first year is included.

49. With respect to general local conditions, the German authorities have indicated that there are no legal restrictions on the purchase of property by UNV staff in Germany. The Government has also indicated that work permits for UNV spouses and children should present no difficulty. Nevertheless, it should be noted that while there may be no major legal impediment for spouses to work, accommodating all requirements for spouse employment in the initial phase of the move may prove to be difficult. Furthermore, it would be necessary for working spouses to be proficient in German to pursue job opportunities realistically in the Bonn/Cologne labour market. Language training, therefore, must be considered as a primary element, not only for staff but for family members in the transition from Geneva to Bonn.

50. It has been indicated by the Government of Germany that there should exist no restrictions to United Nations staff retiring in Germany. In this regard, it

should also be noted that the tax regime applicable in Germany to United Nations pensions effectively taxes about 26 per cent to 29 per cent of the pension annuity.

51. The working group also undertook a preliminary review of training services available in Bonn. It found that language and information systems training in English are available through the adult education network in Bonn, at nominal cost. In addition, a number of organizations in the private sector provide training to the diplomatic community in Bonn. Given the difficulty in determining the exact profile of specific ongoing training requirements of UNV in Bonn, the recurrent expenditure implications, over and above those related to the initial recruitment of new staff, have not been addressed nor are they included in the cost estimates.

C. Administrative and related budgetary implications

52. The establishment of a provisional office in Bonn (see para. 22), could be foreseen to take place four months prior to the date of relocation of UNV to Bonn. The working group envisaged a need for three UNV staff members to carry out the tasks identified in paragraph 22; an amount of $110,000 for the provisional office is included in the transition cost estimates.

53. The working group identified two options available to UNV with regard to office furniture, equipment and computer hardware. These were either to ship the existing items to Bonn or to procure new items at the time of the proposed move to Bonn. The working group's conclusion, which is shared by the Government of Germany, was that it would be more cost-effective and more practical and would avoid potential compatibility problems if new furniture, equipment and computer hardware were purchased in Bonn. The net replacement costs, i.e. new requirements less the resale value of existing items are $540,000 for office furniture, $170,000 for office equipment, and $820,000 for computer hardware; they are included in the transition cost estimates.

54. The working group obtained sample cost estimates, in effect in Bonn, for the procurement of office furniture and equipment, computer hardware and office supplies. These were compared to the costs of procuring similar items in Geneva. The comparison indicated that the relative cost differential between Bonn and Geneva, for the procurement of these items was not significant. Consequently, no additional costs have been identified for these items. In addition, it should be noted that if UNV were to replace all existing items with new ones upon the move to Bonn, it is unlikely that any further new office furniture, equipment and computer hardware would be needed in the initial few years. This would result in a lower level of recurrent expenditure for that period.

55. The working group reviewed the profile of business travel for UNV to assess the impact that a move to Bonn would have on this aspect of UNV operations. The working groups conclusions are that there would be a need for approximately 24 UNV missions to Geneva per annum, and that there would be additional costs for UNDP resident representatives who would need to attend UNV briefings in

Bonn. The total estimated additional costs for these two items will be at least $74,000.

56. The working group was unable to make a precise determination of the additional telecommunications costs that would be incurred by UNV as a result of the move to Bonn. The working group did conclude that UNV would incur additional telecommunications costs as a result of the need to maintain close contact with the United Nations organizations in Geneva. A provision of $25,000 has been included in the recurrent expenditure estimates for this item.

57. In line with paragraph 13 above, until a more precise determination of the building complex, to be occupied by UNV can be made, the working group is unable to estimate the additional costs, if any, that would be incurred for utilities; consequently, no provision has been made for this item in the recurrent expenditure estimates. It should be noted that no additional assessment is made or included for water, sewage and disposal costs.

58. In line with paragraph 29 above, the savings in rent costs of $525,000 is included in the recurrent cost estimates.

59. A provision of approximately $100,000 is included in the transition costs to cover the transfer of UNV records to Bonn.

60. In line with paragraph 32 above, a provision of $275,000, for additional costs is included in the recurrent expenditure estimates to cover the provision of security services.

61. The working group has assumed that UNV would need to maintain a liaison presence in Geneva. A preliminary provision of $380,000 was included in the recurrent expenditure estimates for a liaison office for UNV in Geneva.

D. Host Country Agreement

62. It is the opinion of the Office of Legal Affairs of the United Nations Secretariat that a Host Country Agreement, as well as an agreement supplemental thereto relating to the occupation and use of the premises to be put at the disposal of UNV will be needed. These agreements will need to address the following issues:

(a) Definition of terms to be used in the agreements;

(b) Juridical personality and legal capacity of UNV;

(c) Inviolability of the UNV district;

(d) Law and authority in the district;

(e) Protection of the district and its vicinity;

(f) Property, funds and assets;

(g) Exemption from taxation;

(h) Exemption from customs duties, import or export restrictions;

(i) Freedom from currency restriction;

(j) Inviolability of archives and all documents;

(k) Communication facilities (the right to use codes or ciphers, to receive and send correspondence in sealed bags, which should have the status of diplomatic bags; the right to receive and dispatch correspondence by diplomatic courier);

(l) Public services for the district;

(m) Privileges and immunities, exemptions and facilities;

(n) Diplomatic privileges and immunities to be accorded to representatives of Member States;

(o) Functional privileges and immunities (arts. V and VII of the General Convention) to be accorded to United Nations officials;

(p) Expert-on-mission status (art. VI of the General Convention) to be accorded to persons performing missions for the United Nations;

(q) Other facilities to be accorded to UNV for the proper functioning in Germany;

(r) Legal status of locally recruited personnel, nationals and residents of the host country;

(s) Waiver of immunity;

(t) Cooperation with the competent authorities of the host country;

(u) Unimpeded entry to, transit in and exit from the host country (including issuance of visas and entry permits, where required, free of charge and as speedily as possible);

(v) Responsibility, liability and insurance arrangements;

(w) Social security and pension funds arrangements;

(x) Supplemental agreements;

(y) Application of the relevant agreements on privileges and immunities;

(z) Settlement of disputes;

(aa) Final provisions.

V. SUMMARY AND CONCLUSIONS

63. In summary, the broad findings of the working group are as follows:

(a) There would be human resources implications resulting from a move of UNV to Bonn, in particular for General Service staff, which could result in a reduced programme and organizational capacity during the transition years;

(b) The separation of UNV from the organizations of the United Nations system and permanent missions to the United Nations at Geneva will have implications for UNV, particularly in the area of personnel and the continuity of operations. A liaison capacity will have to be established in Geneva to fill this gap. However, there are a variety of implications in moving UNV headquarters to Bonn; these include the proximity to the headquarters of the European Union in Brussels, and UNV access to an active community in the Rhineland interested in multilateral cooperation. The economic significance to UNV of location within the Frankfurt-Dusseldorf corridor would present an opportunity to draw upon resources from the NGO community and the private sector, which remain as yet untapped;

(c) There are some other implications, related to continuity of normal operations during the transition period that have not been fully identified;

(d) UNDP expects the Host Country Agreement to be entered into between the United Nations and the Government of Germany to reflect arrangements not less favourable than those obtained in the agreements with Switzerland and Austria governing the legal status of the United Nations Office at Geneva and the United Nations Office at Vienna;

(e) There is a need for consideration by the Government of Germany of a specific programme grant that would ensure an efficient and effective programme future for UNV after the move to Bonn. This would take into account the programme implications referred to in paragraph 17 above;

(f) For the successful implementation of the Secretary-General's proposal to move UNV to Bonn, it will be important to plan well ahead;

(g) The offer from the Government of Germany will require further elaboration and confirmation, regarding, inter alia, the specific building complex for UNV;

(h) The transition costs, in 1993 prices and at December 1993 exchange rates, and with the limitations mentioned above, would range from $5.18 million to $7.45 million, depending on the scenario and assumptions used. In addition, the transition subsidy referred to in paragraph 17 (i) should be taken into account;

(i) A move to Bonn could result in savings in recurrent expenditure. Initial calculations, at 1993 prices and exchange rates, indicates that these would be in the order of $1.77 million per annum;

(j) The presence of UNV in Bonn will enable UNDP, and UNV in particular, to draw further upon important contributions of a substantive and financial nature, from both public and private sources;

(k) The presence in Germany of UNV, which UNDP administers, will further enhance the effectiveness of the central role of UNDP in servicing overall operational activities for development.

Note

The present report, which was prepared in April 1994, has been subsequently updated to reflect:

(a) Costs, prices and exchange rates as at December 1993;

(b) The assumption that the Humanitarian Relief Unit will remain in Geneva;

(c) Editorial changes, including those in paragraph 63 (a).

Annex II

[Original: English]

GERMANY
AS THE LOCATION FOR
UN ORGANISATIONS

United Nations Volunteers Programme

Offer from the Government of
the Federal Republic of Germany

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GERMANY AS THE LOCATION FOR UN ORGANISATIONS
United Nations Volunteers Programme (UNV)

OFFER FROM THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY

The Government of the Federal Republic of Germany hereby invites

the United Nations Volunteers Programme (UNV)

to establish their headquarters in Germany from 1996 onwards and offers suitable rent-free premises in the centre of Bonn. In the longer term the German Government would also be prepared to welcome other existing or newly founded UN organisations.

I. Reasons

Following unification, Germany has become aware of its increased international responsibility. The German Government wishes to meet this obligation by inviting UN organisations to set up their headquarters in Germany and by increasing its commitment to the UN in general.

In this context, the Government of the Federal Republic of Germany is prepared to make suitable buildings available rent-free to the above-mentioned UN organisation from 1996 onwards and for an unlimited period.

Bonn would be an advantageous location for UNV because

- Given that running costs would be lower than at its current location in Geneva, the organisation would be able to make considerable savings. The cost estimates drawn up by the UNDP mission would entail an annual reduction in UNV costs of up to US $ 1.79 million.

- The UNV would have the opportunity to co-operate with German non-governmental organisations and thus gain access to state and private funding sources outside the Federal budget which have gone unused to date. It would also gain support for the development of programmes.

- The central location in Europe, close to the European Union headquarters and in a federal Land (state) aware of international perspectives, combined with the special attention it will receive as the first UN organisation in Germany and the opportunity to introduce structural changes in the wake of such a relocation, will serve to heighten the profile of the UNV in the longer term.

- Relocation would enable Germany to increase its already substantial commitment to the UN.

- The UNV would profit from Germany's close ties with the Eastern European states and the former Soviet Union, in which the UNV intends to expand its activities.

II. The German offer in case of a relocation

Germany is prepared to provide substantial support for the establishment of the above-mentioned organisation in Bonn:

1. **Provision of suitable rent-free premises**

Germany is willing to offer suitable rent-free premises to the UNV in Bonn on a permanent basis from 1996 onwards.

2. **Relocation and installation costs**

The Government of the Federal Republic of Germany is furthermore prepared to assume costs arising from the relocation of the UNV, the employees willing to move and their families from Geneva to Bonn, the installation grants and the cost of German language courses.

3. **Special transitional costs**

The German Government is, moreover, willing to offer the following to help prevent any temporary loss of efficiency resulting from the move:

- measures to maintain staffing levels at UNV for a transitional period of four years with funding of up to US $ 4 million,

- support for the translation of publications into German and possible access to libraries with documentation sources in English.

4. **Increase in voluntary contributions**

A relocation would prompt Germany to double its contributions to the UNV programmes, especially as the UNV's work in development at grass-roots level has proved valuable.

5. **Privileges and immunities**

Germany is seeking a Headquarters Agreement with the United Nations, along the lines of those of other UN locations in Europe.

6. **Access to the German labour market**

Germany is, in addition, willing to give dependents of UNV employees access to the German labour market. They will not require work permits.

Therefore, the prohibition of employment for employees from abroad does not apply to the extent spouses and children (dependents) of UNV employees are concerned.

7. **Other**

Germany will support the UN organisations in recruiting suitably qualified specialised and administrative staff.

III. Bonn as the geographical centre of Europe

The city of Bonn has the following advantages:

- Within the Federal Republic of Germany, situated in the geographical centre of Europe, the region between the Düsseldorf/Ruhr region and Frankfurt constitutes a central 250 km (160 mile) axis of high economic capacity and unprecedented urban density and diversity. The two cities of Cologne and Bonn (approx. 2 million inhabitants), neighbours just 25 km (16 miles) apart, are located right at the heart of this region. The transport network is excellent, offering motorways, rail links and both regional and international flights.

- Cologne/Bonn airport is just a 20-minute drive away from the centre of Bonn. Using the neighbouring airports of Düsseldorf (one hour by train or car) and

Frankfurt ($1^1/_2$ hours by train or car) cities like New York, Nairobi or Delhi can be reached within $7^1/_2$ hours.

- Bonn with its 300,000 inhabitants and 170,000 jobs, the centre of an urban region comprising around 760,000 inhabitants, is excellently situated without the usual problems associated with large conurbations. In its many years as the seat of Parliament and Government of the Federal Republic of Germany, Bonn has developed two characteristic features: a high degree of administrative efficiency combined with quality of life in an environment in which people from all over the world can feel at home.

- Bonn will remain home to several ministries and will thus continue to be a political centre of national and international standing. Bonn will not only become a key location in the fields of science, education and culture, it will also be a national and international centre for North-South co-operation. In and around Bonn there are already several important national organisations working in the development field. The Federal Ministry for Economic Co-operation and Development will also be staying in Bonn and other related organisations are to be moved there. In this context, Germany is promoting Bonn as a seat for international organisations. A centre of this type could be expected to generate considerable synergistic effects between national and multilateral technical co-operation.

- Bonn has experience in hosting large international conferences and can offer excellent facilities for this type of event. There is a new conference centre which can accommodate several thousand participants close to the area which has housed Parliament and Government up to now and, therefore, also to the building which would be part of this offer. In Bonn and the surrounding area there are more than 6,000 hotel rooms of international standard. The German Government's guesthouse, constructed in 1990 on the Petersberg, can be used for special events and representative occasions.

- Bonn, a city situated directly on the banks of the Rhine between the Cologne plain and the central Rhenish mountains (Siebengebirge) has remained a pleasant residential garden city, where it is easy to get around. Thanks to sensible urban planning and development for both private and public

transport, most commuters live within half an hour of their workplaces in the city.

- Rents in Bonn are reasonable compared with the headquarters of other UN organisations. Given the high quality of supplies and services of every kind, the cost of living in Bonn is not high.

- Bonn, Beethoven's birthplace, has first-class concerts, opera and theatre to offer. The Düsseldorf - Cologne - Bonn region is a veritable stronghold of European culture and all forms of classical and contemporary art. Bonn is an academic city with its excellent university (40,000 students) rich in tradition, but also a city which, by virtue of its function as the capital, has acquired valuable international experience.

- UN employees and their families will be able to enjoy the school facilities and international societies, which have been established in Bonn for the 130 embassies with their 10,000 employees and can of course be maintained in the future. There are several foreign schools as well as German bilingual schools offering German-English and German-French schooling. In addition, many German schools have special classes for foreigners. The school system in the region can certainly be expanded. No fees are payable at German state schools or universities.

IV. Further steps

In case of a positive response to this offer from the UN, Germany is prepared to examine immediately any questions relating to the buildings available for use by the UNV.

Germany is prepared to make a similar offer to other UN organizations interested in settling in Bonn.

The German Government will be pleased to discuss any aspects of the offer in more detail.

Annex III

[Original: French]

PERMANENT OBSERVER MISSION OF
SWITZERLAND TO THE UNITED NATIONS

757 Third Avenue, 21st Floor
New York, N.Y. 10017
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29 November 1994

Mr. James Gustave Speth
Administrator
United Nations Development Programme
1 United Nations Plaza
New York, N.Y. 10017

Sir,

With reference to the current discussions in the Executive Board of the United Nations Development Programme about a possible transfer of the headquarters of the United Nations Volunteers (UNV) from Geneva to Bonn, I should like to make a number of comments relating to the position of UNV at Geneva. I think it important that any decision which might ultimately be taken in this respect should take into account all the parameters, particularly the impact which a possible removal of UNV could have on its programme activities. In my opinion, that aspect of the question has as yet been insufficiently taken into consideration.

You will find appended to this letter a brief résumé of the most important advantages Geneva offers as a centre for international organizations. Since this document does not refer specifically to UNV, I should like to highlight some points which seem to me to be very important for the Volunteers.

As you know, UNV, which has been established at Geneva for more than 15 years, has been able to take advantage of the immediate proximity of a large number of partners - intergovernmental organizations both within and outside the United Nations system, permanent representatives, non-governmental organizations whose field of activity is often world wide and development-oriented - to create excellent working relationships and develop synergistic human contacts that have resulted in significant organizational and operational benefits. The fact that UNV is increasingly involved in the humanitarian sphere, where emergency situations call for rapid and well-coordinated action, has made very clear the importance of the proximity of UNV headquarters to its operational partners established at Geneva.

While UNV thus clearly benefits from the presence of numerous other organizations at Geneva, it is equally true that those organizations benefit from the services and experience of the Volunteers in many different fields.

It is unanimously recognized that UNV has at its disposal at Geneva highly experienced and motivated staff. That is one of the principal resources of the

programme. It is always possible to replace staff who leave an organization. Experience shows, however, that where those are, above all, permanent staff who are the repository of the "institutional memory", the replacement of an effective team is a time-consuming process, whatever incentives are offered.

Whenever there is a question of establishing or relocating an international organization in a given city, the budgetary implications of that choice are obviously important. The Swiss authorities are aware of the fact that the rental payments to which UNV is subject are a heavy charge on the programme's budget. For this reason they are trying, in cooperation with the local authorities, to find practical solutions which would allow the programme to be more accommodated at lesser expense until UNV can be housed in the Geneva Executive Centre (GEC). That building, bought by the Swiss Confederation in 1993, is at present occupied by several international organizations working in the field of the environment. Some of those will move to the Palais Wilson, the old League of Nations headquarters, as soon as the refurbishing work now under way is finished at the beginning of 1998. At GEC, UNV will have the space it needs (3,000 square metres, including offices and archives). The rent paid by UNV to GEC will be considerably less than what it currently pays. The decrease will be of the order of 30 per cent or more in comparison with the present situation. At this stage I cannot, however, give an exact figure, since the terms offered to intergovernmental organizations established in Switzerland are periodically reviewed and improved.

As you know, it is difficult to predict what terms will be offered to UNV in three or four years. It is, however, often risky to try and compare the difference in costs of living between two potential host cities. For example, a UNDP working group prepared a report in the spring of this year, according to which the transfer of UNV to Bonn could entail savings that might amount to US$ 1.77 million a year in the salaries paid to UNV General Service staff. To arrive at that figure, the working group used an average difference of 40 per cent between the salaries paid at Geneva and at Bonn.

Such a calculation does not take into account all the parameters of a complex situation, such as the differences between, especially, salaries and the social expenses of the various Professional grades. Overall, the real difference is very much lower. The most recent studies carried out by the International Civil Service Commission have shown that the difference in cost of living between Geneva and Bonn is less than 20 per cent. This figure does not take into account, among other things, the high level of productivity of the work force and the long working week in Switzerland, which would no doubt further reduce that difference.

Allow me, finally, to remind you that Switzerland remains extremely interested in the activities of UNV. That was the reason for my country's contribution to the Special Voluntary Fund of SwF 300,000 in 1993 and SwF 400,000 in 1994. For 1995, Switzerland intends to increase its contribution to SwF 500,000. Switzerland also pays for three Swiss programme officers in the UNV programme, and has just signed an agreement with UNV establishing a peace-keeping and peace-building trust fund totalling SwF 500,000 over two years. This new programme provides for activities which will greatly benefit from the synergies that result from the presence of numerous international organizations

established at Geneva and operating in the field of the maintenance and strengthening of peace.

I should be extremely grateful if you would bring these points to the attention of the members of the UNDP Executive Board, in view of the decision they are called upon to take in January 1995.

Accept, Sir, the assurances of my highest consideration.

(Signed) Johannes J. MANZ
Ambassador
Permanent Observer of Switzerland
to the United Nations

Appendix

Geneva as an international centre

Geneva has been serving as host to international organizations for more than 125 years. The experience gained in this field and the very comprehensive infrastructure which has been put in place, as well as the presence of a large number of missions and offices of countries and organizations, guarantee an ideal and synergistic working environment for the international organizations established at Geneva.

Eighteen intergovernmental organizations, of which 11 are part of the United Nations system, have their headquarters at Geneva, as do some 150 international non-governmental organizations.

The international organizations which have their headquarters at Geneva have nearly 19,000 conference seats at their disposal. Most of the rooms are equipped with simultaneous translation equipment. The above figure does not take into account the conference rooms of non-governmental organizations, hotels or the large exhibition centre PALEXPO.

More than 140 countries are represented by permanent missions to the United Nations Office at Geneva (see attached list). Nearly 130 permanent missions are actually located at Geneva. A number of intergovernmental organizations have also opened observer offices. The number of States represented at Geneva by a permanent mission will increase in the years to come. The authorities of the host country have also decided to place a "Universal house" at the disposal of the missions of the least developed countries. The terms for use of premises in that building will be very advantageous. The presence of permanent missions and of a network of diplomats who specialize in dealing with multilateral questions is an important advantage for any country which wishes to keep abreast of the work being done in the various international forums.

A setting suited for the requirements of international organizations

The international airport, only a few minutes from the town centre, links Geneva to the rest of the world. There are direct flights to 120 destinations.

Geneva offers a hotel infrastructure which is particularly well adapted to the needs of international organizations and the intense conference activity associated with them. More than 2 million visitors each year are accommodated in 14,000 hotel beds. Each year, 2,300 multilateral meetings, including several world conferences, are organized by the various different international organizations located at Geneva.

The large number of international media correspondents who specialize in covering major conferences and are experienced in dealing with issues concerning development cooperation and humanitarian aid ensure excellent dissemination of coverage of the work of the international organizations throughout the world.

With 170,000 people living in the city and less than 400,000 persons living in the urban area, Geneva has remained small, which means that its inhabitants as well as the people who work there do not face many of the problems which are currently found in larger cities or conurbations. The advantages of a relatively small city are combined here with those of a major metropolis.

French, a working language of the United Nations, is spoken at Geneva, in a country where learning foreign languages is traditional. At Geneva, nearly 38 per cent of the resident population consists of foreigners, from every country in the world, which means there is a cosmopolitan cultural life. Instruction in the state schools is in French, but there are several establishments which give instruction in other languages. About 40 private schools offer several types of education at different levels. English is spoken by a large part of the population; the Arabic-speaking linguistic community does not feel out of place.

The presence in the region of numerous multinational companies is another of Geneva's advantages. Those companies offer further possibilities for access to the labour market for the families of international employees.

Privileges and immunities

The status of bodies at Geneva attached to the United Nations is regulated by the Headquarters Agreement concluded in 1946 between Switzerland and the United Nations.

Many improvements have been made since then to the status of international organizations and their officials, and new arrangements are about to be introduced. These changes, associated with the installation at Geneva of the World Trade Organization's headquarters, will be applicable to all intergovernmental organizations established in Switzerland. They principally concern the following matters:

- Status of senior official (diplomatic status) granted to all international civil servants at the P-5 level and above;

- Easy access to the Swiss labour market for spouses and dependants of international civil servants and members of permanent missions;

- Exemption from value added tax (VAT) for international organizations as well as for those persons who benefit from diplomatic status;

- Facilities for employing domestic personnel;

- Liberalization of current practice regarding purchase of real estate by international civil servants resident in Switzerland.

Permanent Missions to the United Nations Office at Geneva

Afghanistan
Albania
Algeria
Angola
Antigua and Barbuda (residence in London)
Argentina
Armenia
Australia
Austria
Bahrain
Bangladesh
Belarus
Belgium
Belize
Benin (residence at Brussels)
Bhutan
Bolivia
Bosnia and Herzegovina
Brazil
Brunei Darussalam
Bulgaria
Burundi
Cameroon
Canada
Cape Verde (residence at Bonn)
Central African Republic (residence at Bonn)
Chile
China
Colombia
Costa Rica
Côte d'Ivoire
Croatia
Cuba
Cyprus
Czech Republic
Democratic People's Republic of Korea
Denmark
Dominica
Dominican Republic
Ecuador
Egypt
El Salvador
Equatorial Guinea (residence in Paris)
Ethiopia
Finland
Former Yugoslav Republic of Macedonia
France
Gabon
Gambia
Germany
Ghana
Greece
Guatemala
Guinea (residence in Paris)
Guinea-Bissau (residence at Brussels)
Haiti
Honduras
Hungary
Iceland
India
Indonesia
Iraq
Ireland
Islamic Republic of Iran
Israel
Italy
Jamaica
Japan
Jordan
Kenya
Kuwait
Latvia
Lebanon
Lesotho (residence at Brussels)
Liberia
Libyan Arab Jamahiriya
Liechtenstein
Lithuania
Luxembourg
Madagascar
Malaysia
Mali (residence at Bonn)
Malta
Mauritius
Mexico
Mongolia
Morocco
Myanmar
Nepal
Netherlands
New Zealand
Nicaragua
Niger (residence at Brussels)
Nigeria
Norway
Oman
Pakistan
Panama

Paraguay
Peru
Philippines
Poland
Portugal
Qatar
Republic of Korea
Romania
Russian Federation
Rwanda (residence at Bern)
San Marino
Saudi Arabia
Senegal
Singapore
Slovakia
Slovenia
Somalia
South Africa
Spain
Sri Lanka
Sudan
Sweden
Syrian Arab Republic
Thailand
Togo (residence in Paris)
Trinidad and Tobago
Tunisia
Turkey
Uganda (residence at Brussels)
Ukraine
United States of America
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United Arab Emirates
Uruguay
Venezuela
Viet Nam
Yemen
Yugoslavia (Serbia and Montenegro)
Zaire
Zambia
Zimbabwe

To this list should be added

- the Office of the representative of the host country (Switzerland)

- the Office of the Permanent Observer of the Holy See at the United Nations Office and other international organizations at Geneva

- the Observer's Offices of the following intergovernmental organizations:

  European Union

  League of Arab States

  Organization of the Islamic Conference

  Organization of African Unity

- The Office of the Permanent Observer of Palestine to the United Nations Office at Geneva

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